

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 8

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APR 0 6 2018

Ref: 8EPR-N

Keith Berger, Field Manager Bureau of Land Management Royal Gorge Field Office Attn: September 2018 Lease Sale 3028 East Main Street Canon City, Colorado 81212

Dear Mr. Berger:

The U.S. Environmental Protection Agency Region 8 has reviewed the Bureau of Land Management's Environmental Assessment (EA) for the September 2018 competitive oil and gas lease sale. The EA analyzes potential effects of offering 28 parcels comprising 22,175 acres within the BLM's Royal Gorge Field Office (RGFO) for sale. These parcels include 1,285 acres of federal land and 20,890 acres of split estate land in the following counties: Baca, Huerfano, Kiowa, Lincoln, Washington, and Weld. The comments in this letter focus exclusively on the eleven parcels proposed for lease in Huerfano County due to environmental resource issues specific to those parcels listed below.

This EA is tiered to the 1995 Royal Gorge Resource Area Resource Management Plan (RMP) and the 1985 Northeast Resource Area RMP. Development of these leases and the applicable environmental protection measures would therefore be guided by those two RMPs. BLM is in the process of revising these older RMPs which are being updated and combined into a single Eastern Colorado RMP (ECRMP). Since 1995, BLM has learned a great deal about oil and gas development and about how to protect environmental resources from undue impacts. Over the past decade, Colorado BLM's RMP revisions include a broader suite of new and updated stipulations and best management practices for preventing and reducing impacts.

Given the more limited protections provided by older RMPs, there are three environmental resource considerations with the Huerfano County parcels that may warrant attention from BLM as it considers the final decision on these leases:

- Although not identified in the EA, the Huerfano River downstream of these parcels is on Colorado's 303(d) list of impaired waters for selenium. Selenium can be mobilized by soil disturbance, erosion and construction activity. It is not clear whether the stipulations and BMPs in BLM's current RMPs would avoid exacerbating the selenium issue due to road, infrastructure and well pad development.
- 2. Great Sand Dunes National Park and Preserve is located approximately 10 miles to the west of the lease areas and is a designated Class I area that is provided the highest protections for air quality.

The National Park Service lists this Park as having "very high" sensitivity to acidification due to acidic deposition (its most sensitive designation). Oil and gas development produces nitrogen and sulfur oxides that can contribute to acidic deposition and visibility degradation. The air quality analysis that supports this EA does not site-specifically assess the potential for development of these leases to impact the Class I air resources in the Park.

3. There are many shallow wells along the Huerfano River downgradient of the parcels that likely are completed in alluvium. Alluvial wells can be vulnerable to hydrocarbon or produced water spills. Additionally, data from the Natural Resources Conservation Service's soil survey database (SSURGO) indicates that there is an area of shallow groundwater in the area encompassed by parcel 8085. Prior to issuing APDs on these parcels, we recommend identifying groundwater recharge areas in the areas encompassed by the nominated lease parcels and avoiding surface disturbing activities with the potential to contaminate groundwater in or near identified or inferred groundwater recharge areas. The hydrogeology below the Huerfano County parcels is complex and not well characterized; therefore, it would also be prudent to further characterize the groundwater resources and hydrogeology at the APD stage to ensure that any resources present are protected.

Prior to issuing a final decision, we recommend that BLM consult with the Colorado Department of Health and Environment and the National Park Service in considering whether the stipulations and BMPs in the current RMPs provide sufficient protections to avoid significant effects to these three resources. We also recommend that BLM's final decision document more fully describe how BLM applies stipulations, BMPs and mitigation measures when managing development of federal minerals on private lands. Based on past experience, we understand BLM may have limitations in applying measures on private surface. After BLM completes its review of these resource concerns, we recommend that BLM consider whether there is merit to deferring these lease decisions for a short time until the new RMP is in place.

We are aware that the Navajo Tribe acquired lands on and near the Huerfano County lease parcels with the purchase of Wolf Springs Ranch and Boyer Ranch. Blanca Peak, adjacent to the purchased land, has cultural significance for the Tribe. The EA does not indicate that the Navajo Tribe was consulted. If it has not already been done, we recommend BLM contact the Navajo Tribe to ensure they are informed of the proposed sale.

We appreciate the opportunity to review this project and hope our recommendations assist the BLM in making final decisions. If further explanation of our comments is desired, please contact me at 303-312-6704, or Melissa McCoy, lead reviewer for this project, at 303-312-6155 or mccoy.melissa@epa.gov.

Sincerely,

Philip S. Strobel

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Director, NEPA Compliance and Review Program Office of Ecosystems Protection and Remediation